

Conference Center-Design -- No. 789593

Category **General Government**
 Agency **Economic Development**
 Planning Area **North Bethesda-Garrett Park**
 Relocation Impact **None**

Date Last Modified
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 Required Adequate Public Facility

January 4, 2000
 9-32 (99 App)
 NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY99	Estimate FY00	Total 6 Years	FY01	FY02	FY03	FY04	FY05	FY06	Beyond 6 Years
Planning, Design and Supervision	2,600	1,144	1,456	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	2,600	1,144	1,456	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Contributions	70	70	0	0	0	0	0	0	0	0	0
Current Revenue:											
General	2,080	775	1,305	0	0	0	0	0	0	0	0
State Aid	450	299	151	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This project provides for the planning, site studies, design, and other pre-construction activities for a multi-use Conference Center, including the design of a temporary parking lot due to the need to relocate the WMATA parking lot currently located on the Conference Center site. The proposed building program consists of a 100,000 gross square foot Conference Center which will include: a grand ballroom, junior ballroom, breakout rooms, classrooms, meeting rooms, and board rooms. Remaining square footage is allocated to additional features including pre-function space, offices, public circulation, food and beverage facilities, and utilities. A hotel adjacent to the Conference Center will be privately developed. Adjacent parking of approximately 725 spaces will be provided. This will be the largest Conference Center facility in Montgomery County. Such a facility will provide meeting and conference space for events which currently cannot be accommodated in the County and provide a unique resource to the County's technology companies, Federal agencies, and residents. The Department of Economic Development will oversee this project and has contracted with the Maryland Stadium Authority, in accordance with Article 11B-42(c) of the County Code and applicable Maryland State law, to undertake all necessary tasks. A business plan for the project, including capital and operating projections based on the selected site, was completed in FY96. Assistance on specific planning and financial issues is being provided by various other County government agencies and departments.

JUSTIFICATION

A FY94 needs assessment and preliminary market analysis completed for the Conference and Visitors Bureau, in conjunction with the Department of Economic Development, supported the market feasibility of the proposed facility. Additional analysis completed under the auspices of the Maryland Stadium Authority also documented a need for the proposed center. Fiscal studies of public revenues and costs completed by Tischler and Associates indicated a positive net return to the County and to the State, once the facility is at normalized operations. The business plan projects a positive net operating income from the facility beginning in the second full year of operations.

STATUS

Detailed design. Land use approvals have been completed. The design work necessary for the land use approval process and design of a temporary parking lot to relocate the existing WMATA parking lot have been completed. The parcel west of the White Flint Metro stop has been purchased. Preliminary studies and fiscal impact analyses have been completed. Land use approvals secured to date include a Master Plan Amendment and Zoning Text Amendment; application for Local Map Amendment has been completed. This project is subject to County Council review of the project's transportation and environmental studies, and County Council approval of the Memorandum of Understanding and lease agreement with the private sector.

FISCAL NOTE

The Maryland Stadium Authority is responsible for financing the State's interest in the facility (50 percent), estimated at \$17.6 million. The Montgomery County Revenue Authority will issue bonds to finance the County's remaining cost of the construction of the facility for \$8.7 million. The Montgomery County Revenue Authority has issued \$7.5 million of bonds to acquire the site and construct the WMATA temporary parking lot. These expenditures are displayed in the Revenue Authority's project description form for the Conference Center project. The County will subsequently enter into a lease agreement with the Revenue Authority for the land and the County's 50 percent interest in the facility. Ownership of the facility will revert to the County once the State and Revenue Authority debt is retired. Certain elements of the business arrangement between the County, the Revenue Authority, the State, and the developer are being negotiated. Included will be a provision for private sector payment to the County for the portion of land assigned to the hotel. This revenue stream, as well as profits from the Conference Center and Room Rental and Transient Tax revenues will support the County's lease payments to the Revenue Authority.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY95	(\$000)
Initial Cost Estimate		800
First Cost Estimate		
Current Scope	FY97	2,600
Last FY's Cost Estimate		2,600
Present Cost Estimate		2,600
Appropriation Request	FY01	0
Appropriation Request Est.	FY02	0
Supplemental Appropriation Request	FY00	0
Transfer		0
Cumulative Appropriation		2,600
Expenditures/Encumbrances		2,558
Unencumbered Balance		42
Partial Closeout Thru	FY98	0
New Partial Closeout	FY99	0
Total Partial Closeout		0

COORDINATION

Department of Economic Development
 Department of Public Works and Transportation
 State of Maryland, Maryland Stadium Authority
 Conference and Visitors Bureau
 Maryland-National Capital Park and Planning Commission
 Office of Management and Budget
 Department of Finance
 Office of Intergovernmental Relations
 Department of Permitting Services
 Office of the County Attorney
 Revenue Authority
 Conference Center
 Conference Center Intersection Improvements

The requirements of the Maryland Economic Growth, Resource Protection, and Planning Act do not apply to this project.

MAP

